
THE PLACE OF VIRTUAL ASSETS IN THE STRUCTURE OF DIGITAL FINANCIAL TECHNOLOGY

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Abstract: The article considers a fundamentally new technological environment based on digital technologies, known as "cryptocurrency", which has gained wide popularity and distribution, in particular, in the financial sphere. The variety of terms and general definitions in the modern world of digital financial technologies can confuse not only the vast majority of its potential consumers but even those who have already had a relationship with their type of service or are the owner of some type of it. The purpose of the article is to conduct a study aimed at trying to structure the elements of digital technologies, which have a widespread common name "cryptocurrency", which are more reflected in the financial sector of the economy, relative to each other, based on their characteristic features/ During the study we refer to the whole variety as Digital Financial Technology (DFT). But to find a place in such a structure for the new legal definition of "virtual assets", which appeared in the Ukrainian legal field thanks to the adoption of the Law of Ukraine "On Virtual Assets". When conducting the research, the following were used: general scientific research methods - deduction and induction, synthesis and analysis, scientific abstraction, systematic approach; specially - legal methods of knowledge - formally legal; legal forecasting, retrospective and comparative legal method; methodological substantiation of the essence, nature and structure of the terminology, which is the object of research. According to the results of the research, the structure of the entire known variety of elements of digital technologies was formed. In summary, the results of the study are presented graphically in Figure 1. The place in such a formed structure, the new national legal definition of "virtual assets" (clause 1, clause 1, article 1 of Law 2074), which appeared in the Ukrainian legal field, thanks to the adoption of the Law of Ukraine "On Virtual Assets", according to the author, based on the assigned functionality and characteristics inherent in them, there is a structural field in Figure 1

"cryptocurrency", which is included in the circle of "virtual currencies", and that in turn in the circle "digital currencies".

Keywords: structure, classification, cryptocurrency, bitcoin, stablecoin, token, digital currency, virtual assets, private currency, alternative money.

1. Introduction

A fundamentally new technological environment based on digital technologies, known as "cryptocurrency", has gained wide popularity and spread, in particular, in the financial sphere. The variety of terms and general definitions in the modern world of digital financial technologies can confuse not only the vast majority of its potential consumers but even those who have already had a relationship with their type of service or are the owner of some type of it. Known elements of digital technologies have a different nature of origin, which creates their heterogeneity and gives rise to the specificity of legal relations in which they find coverage, due to their peculiarities. It is extremely important and relevant, based on the nature of their origin and existing properties, to structure the existing elements of digital financial technologies, in particular each other.

Defining a single set of terms that reflects and describes the functioning of virtual currencies is an important initial step for officials, law enforcement officials, and private sector organizations to be able to analyze the potential AML/CFT risks inherent in virtual currencies as new payment methods. As regulators and law enforcement officials around the world begin to understand and understand the issues and challenges presented by virtual currencies, it has become apparent that there is a lack of a single glossary that can accurately reflect the various forms that virtual currency can take. [1]

1.2. Literature review

Such a powerful influence of the modern "digital revolution" began to spread to the formation of relevant norms of Ukrainian legislation. On February 17, 2022, the Parliament of Ukraine adopted the Law of Ukraine "On Virtual Assets" No. 2074-IX (hereinafter - Law 2074) [2], which was signed by the President of Ukraine on March 15, 2022. According to Clause 1 of Chapter VI "Final and Transitional Provisions" of Law 2074, the law itself will enter into force: a). from the date of entry into force of the law of Ukraine on amendments to the Tax Code of Ukraine, regarding the peculiarities of taxation of operations with virtual assets; b). implementation of the State Register of service providers related to the turnover of virtual assets, which is additionally specified in Clause 2 of Chapter VI of the Final and Transitional Provisions, as a limitation in the possibility of applying sanctions provided for in Article 23 of Law 2074. To fulfill the provisions of Clause 1 of Chapter VI of Law 2074 and to put it into effect, on 13.03.2022, the Parliament of Ukraine registered draft law No. 7150 "On Amendments to the Tax Code of Ukraine on Taxation of Transactions with Virtual Assets" (hereinafter - Draft Law 7150)[3] [4].

1.3. The purpose of the article

To conduct a study aimed at trying to structure the elements of digital technologies, which have the common name "cryptocurrency", which is more reflected in the financial sector of the economy, relative to each other, based on their characteristic features. In research, we refer to all the diversity under investigation as digital finance technology (DFT). But to find a place in such a structure for the new legal definition of "virtual assets", which appeared in the national legal field thanks to the adoption of the Law of Ukraine "On Virtual Assets".

1.4. Presentation of methodology

When conducting the research, the following were used: general scientific research methods - deduction and induction, synthesis and analysis, scientific abstraction, systematic approach; specially – legal methods of knowledge: formally legal; legal forecasting, retrospective and comparative legal method; methodological substantiation of the essence, nature and structure of the terminology, which is the object of research.

2. The results of the study

From the beginning, let's determine the composition of the elements, regarding which we will conduct a study aimed at trying to structure them: virtual money, DeFi token, cryptocurrency, e-currency, altcoin, digital currency, bitcoin, virtual currency, token, CBDC, coin, e-money, stable coin, digital money, service / security token, initial coin offering (ICO).

From our earlier etymological research, regarding the word cryptocurrency, which is a compound word from the two words crypto and currency. Based on a large selection made by us from the most famous dictionaries, we state that the words currency and money are identical. Based on this, we can bring to a more reduced form the set of elements that we marked at the beginning as the object of our research and structuring. Let's group the studied elements into two groups, in the first (a) of which there will be those with the word money / currency in the name, and in the second (b) all the others:

- a) virtual money / currency, e- money / currency, digital money/ currency, CBDC;
- б) DeFi token, cryptocurrency, altcoin, digital currency, bitcoin, token, coin, stable coin, service / security token, initial coin offering (ICO).

Structuring will be carried out in two stages. In the first stage, we will deal with the relative position of the terms in group (a), and in the second stage, we will pay attention to the structuring of group (b).

2.1. Digital money/currency and electronic money/currency

Digital money/currency and electronic money/currency how do they relate to each other? The very concept of digital currencies was first introduced back in 1983 in the research work of David Chaum, who later implemented it in the form of Digicash.

"Digital money" is a misnomer. Households and businesses have long held digital - or electronic - accounts in addition to cash. Banks have been issuing this digital money - demand deposits - for decades. As well as central banks that open reserve accounts, but only to commercial banks. What has changed in recent years is the ease with which users can access and spend their electronic money.[5]

Just as the Internet has fueled the growth of e-commerce, it has also given rise to electronic money - currencies that exist only in digital form. [6]

Digital currency is electronic money with the properties of ordinary (fiat) money, which can be regulated or unregulated. This is a general term for all electronic money (money in the digital space). Digital currency includes virtual currencies and cryptocurrencies. Digital money is also called cyber cash. [7]

The European Central Bank understands digital currency as any currency in a digital (intangible) form: records on bank accounts, electronic money, and virtual currencies. [8]

Digital currencies also include an image that has been widely spread in recent times - Central bank digital currency (CBDC). According to the Bank for International Settlements, today 86% of the world's regulators are exploring the possibilities of central bank digital currencies, 60% are experimenting with the technology and 14% are deploying pilot projects [9].

Digital representation means the representation of something in the form of digital data, that is, automated data represented by discrete (intermittent) values to materialize information, as opposed to continuous or analog signals, which represent a continuous stream or represent information as a continuous function. A physical object, such as a flash drive or a bitcoin, may contain a digital representation of a virtual currency, but ultimately the currency only functions as such when it is used over the Internet. [1]

As we can see from the above study of the review material, digital money / currency and electronic money / currency are identical and it is the name of the same concept. Moreover, digital currency is an umbrella term for all virtual currencies. We will adopt the studied term as the first generalizing concept of all the definitions studied by us in the field of financial technologies.

2.2. Virtual currency

The definition was first given by the European Central Bank in 2012: "digital money in an unregulated environment, issued and controlled by its developers and used as a method of payment among members of a certain virtual community, ... virtual currencies (which, unlike electronic money, have no physical equivalent with the name that is legal tender)". [8] Based on the accepted position of the European Central Bank,

"virtual currency", firstly, does not have a material form, secondly, it is not a legal means of payment.

The Financial Action Task Force on Anti-Money Laundering (FATF) defines the following "Virtual currency is a means of expressing the value that can be traded in digital form and that functions as (1) a medium of exchange; and/or (2) a monetary unit of account; and/or (3) a means of storing value, but does not have the status of legal tender (i.e., is not an officially valid and legal tender in settlements with creditors) in any jurisdiction Virtual currency is not issued or secured by any jurisdiction and performs the above functions only by consent within the community of virtual currency users." [1]

A strange fact that contradicts the above in our research is that the US Federal Bureau of Investigation and FinCen in their official documents use the term "virtual currency" as a general and unified. [10] But we can explain this by the fact that their activities are aimed specifically at "virtual currency" - as a rule, not a legal means of payment, and do not touch "electronic money" - a legal means of payment.

Our assumption about the existing confusion is confirmed by the FATF, stating that "Digital currency can act as a means of digital expression of either virtual currency (non-fiat currency) or electronic money (fiat currency), and therefore is often used as a synonym for "virtual currency". To avoid confusion, only the terms "virtual currency" or "electronic money" are used in the actual document. [1]

As we can see from the research above, "virtual currency" is a type of "digital currency". We will take the studied term as the second generalizing concept of all the definitions studied by us in the field of digital financial technologies.

In the conclusion of the "virtual currency" sub-topic of our study, it should be noted that some observers, including Alan Greenspan, who was the chairman of the Board of Governors of the US Federal Reserve System; Noth Velink, former president of the Central Bank of the Netherlands; Nobel laureate economist Robert Shiller believes that virtual currency is a volatile short-term craze or bubble, like the "tulip mania" in Holland in the 17th century. [1]

2.3. Game currency and Program – bonuses

Exist inappropriately closed ecosystems. We are all used to seeing all kinds of bonuses and "quasi-money" accrued to us in several programs and games that we can purchase, within the framework of such games or programs, for example, in-game images of weapons, lands, statuses, avatars, and the same expansion of functionality these games or programs. As a well-known example, we can cite: Second Life Linden Dollars (Linden Dollars in the game "Second Life"); World of Warcraft Gold (Gold is in the game "World of Warcraft"); Project Entropia Dollars (Dollars in the game "Project Entropia"); Q Coins; shop Amazon.com, GTA Online or points FIFA from the game of the same name EA Sports.

Greek economist Yanis Varoufakis says "...in video games like Eve Online, the company that collects the game issues the currency, and it effectively becomes a private

central bank... He points out that when a private corporation controls the currency, there must be faith in its ability to take care of the credit of its customers". [6]

At the dawn of the emergence of computer games in the USA, only avid gamers bought virtual goods for real money; now more and more ordinary gamers are not only buying virtual game products but paid games on social networks Facebook and MySpace are gaining more and more popularity. The gaming portal Zynga reported that in 2009 they bought virtual currencies and goods worth more than 100 million US dollars. [11]

Against the background of the studied type of "virtual currencies", specialized services for the resale of game money for fiat or electronic money have developed at a rapid pace, offering to buy a diverse range of game currency for many popular games. These online stores essentially buy game money from numerous gamers and offer it to other gamers.

As we can see from the above study, "Game Currency and Program - Bonuses" is an internal type of "Virtual Currencies". We will accept the studied term as an attachment / component of the second generalizing concept of all the definitions studied by us in the field of financial technologies.

2.4. Cryptocurrency

In our opinion, the statement about the economic essence of cryptocurrency on the pages of the Internet magazine Ekons is very short and concise: "... most cryptocurrencies do not have anything like that (author's note - about the properties of fiat money), they are bubbles. The value of a bubble lies in the hope that someone - someone will be willing to pay for it in the future." [5].

One of the voluminous, terms of description, the concept of "cryptocurrency" is given in its FATF report: "Cryptocurrency means a decentralized convertible currency based on mathematical principles that are protected using cryptographic methods, that is, uses cryptography to create a distributed, decentralized and secure information economy Cryptocurrencies use public and private keys to transfer currency from one person (individual or legal entity) to another, and a cryptographic signature is required each time the cryptocurrency is transferred. The security, integrity, and relevance of cryptocurrency transaction registries are ensured by a network of unrelated individuals (in the case of Bitcoin, called "miners") who protect the network in exchange for the opportunity to receive freely distributed commissions. (In the case of Bitcoin - a small amount of newly created bitcoins, called "block reward", and in some cases also commissions for transactions, paid by users as a financial incentive to "miners" to include their transactions in the next block). Hundreds of variations of cryptocurrencies have been discovered, most of which are related to Bitcoin, which uses the principle of "proof-of-work" ("proof of work" - a system based on the fact that any operation requires a certain number of calculations - approx. of translation) to verify and confirm the correctness of operations and maintenance of the blockchain. Although Bitcoin is the first working cryptographic protocol for cryptocurrencies, there is growing interest in developing alternative, more efficient methods of verifying and confirming the

correctness of transactions, such as "proof-of-stake" systems ("proof of ownership" - a system in which new coins are generated without due to the use of computing resources, and due to the duration of storage of older coins". [1]

Yanis Varoufakis, a Greek economist, says that "He will not advocate for Greek citizens to convert their euros into digital currencies. "I would advise them to put them in a German bank." [6]

Internet Portal Currency.com characterized the position of cryptocurrency - a type of virtual currency created using cryptographic methods and mathematical calculations mainly based on blockchain. It is both digital and virtual currency - because it exists on the Internet and is created with the help of cryptographic algorithms. [7]

As we can see from the above study, "cryptocurrency" is another internal type of "virtual currency" on the same level as "Game currency and Program - bonuses".

New types of cryptocurrencies appear with an enviable speed both as "Forks" and as completely new ones on new platforms. The exact number of cryptocurrencies is not known, and different sources present different figures. Coinbase, one of the largest crypto exchanges, has 9,494 currencies at the beginning of 2022. Coinmarketcap, a cryptocurrency price tracker, shows that there are 17,543 digital currencies in the world, but it only counts 9,358 in its index. Another price tracker, Coingecko, counts 12,563 cryptocurrencies. [12]

In the conclusion of the review of the concept of "cryptocurrency", we will present a particular statement of the FATF, which in its report "Virtual currency. Key definitions and potential risks in the field of ..." equated "cryptocurrency" with "Local Exchange Trading System". What is meant by a local economic organization (cooperative) that allows its members to exchange goods and services among themselves? A local exchange trading system uses a proprietary currency to express units of value that can be used as payment or exchanged for goods or services. In theory, bitcoins can be accepted as a local currency used within the framework of a local exchange trading system. (Examples: Ithica Dollars and Mazacoin). [1]

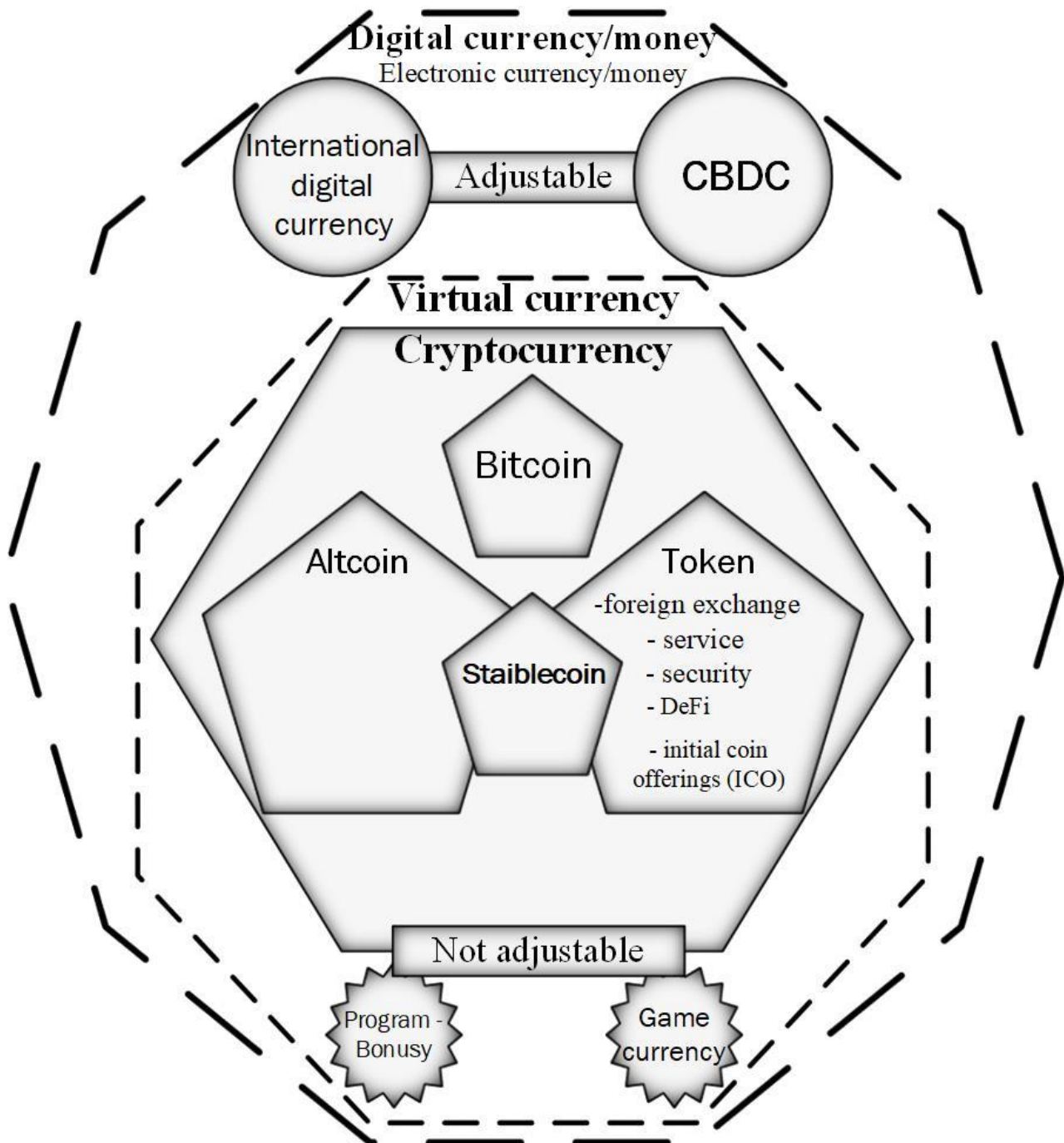


Figure 5. The structure of digital financial technology

2.5. Bitcoin

Bitcoin, as a separate element among cryptocurrencies. Globally recognized, and as an active developer of international trends in the field of cryptocurrency, the Group for the development of financial measures to combat money laundering gave its, as always, voluminous definition, which deserves attention in our opinion: "Bitcoin was launched in 2009 and became the first a decentralized convertible currency and the first cryptocurrency. Bitcoins are units of account in the form of a unique chain of numerical and alphanumeric characters that constitute a collection of currencies that have value

only because users are willing to pay for them. Bitcoins are traded by users in digital form with a high degree of anonymity, and bitcoins can be exchanged (bought or sold) for US dollars, euros, and other fiat or virtual currencies. Anyone can download a free open source software application from the website to send, receive, and store bitcoins, as well as monitor transactions into the Bitcoin system. Users can also receive Bitcoin Addr accounts that function as accounts on the sites of bitcoin exchange service providers or the sites of online wallet services. Information about operations (cash flows) is publicly available and is placed in the general register of operations, where the operations themselves are identified by Bitcoin-Addresses, which is a chain of numerical and alphanumeric characters without systematic reference to a physical person. In this connection, the Bitcoin system is called "pseudo-anonymous" (the individual is not known, but the chain of transactions on the "wallets" can be traced - author's note). The maximum number of bitcoins that will be generated is 21 million (however, each unit can be divided into smaller parts), and this level will be reached by the year 2140. ..." [1]

Bitcoin is far from the last digital currency, but Satoshi Nakamoto (apt. author is supposed to be the developer - bitcoin) managed to come up with a simple and very reliable system, combining previous developments and adding his ideas. It solved one of the biggest problems with online transactions: the possibility of fraud. In the real world, this task is solved by centralized control, but Satoshi Nakamoto found a way to remove the middleman by proposing to make all transactions public so that the legitimacy of the transaction can be confirmed by all participants in the network. In his 2008 article describing Bitcoin, he wrote: "We have proposed a system of electronic transactions where no one needs to take their word for it" - a line that seems to be remembered for generations. [13]

2.6. Altcoin

They appeared in 2011, exactly two years after the launch of Bitcoin [14]. The second cryptocurrency by capitalization and the largest altcoin Ethereum appeared in 2015. They were created as an alternative to bitcoin, initially on the same blockchain platform, and had the general name fork, and later, some representatives of altcoins got their platform. The share of altcoins in the crypto market in 2021 reached the level of approximately 33% [7].

When structuring cryptocurrencies, let's remember that they also have a general division into coins (coins) and tokens (tokens). From the component part of the name bitcoin and altcoin, we understand that they thus refer to coins.

Bitcoin (BTC), Monero (XMR), and Ether (ETH) are all examples of cryptocurrency "coins." What do they have in common? They all exist in their independent registries: BTC runs on the original Bitcoin blockchain, ETH is used on the Ethereum blockchain, XMR exists on the Monero blockchain, and so on. All of them can also be sent, received, or mined. [14]

Altcoins is a two-syllable word: the coin is translated from English as coin, and alt is short for an alternative. The term itself was coined in Bitcointalk, one of the largest

specialized forums in the cryptocurrency market. And the popularizer of the new laconic name of the coins was the Wall Street Journal. So now altcoins are any cryptocurrencies that are alternatives to the gold standard of the digital money market - bitcoin. [15]

Many altcoins are forks of Bitcoin and were developed using Bitcoin's open-source protocol - such as Litecoin (LTC) and Dogecoin (DOGE), but the aforementioned ETH and XMR are also called altcoins despite being built on brand new blockchains. Thus, when defining an altcoin, the following question should be applied: does this cryptocurrency coin have its blockchain, while not being Bitcoin (ie not the original blockchain)? If so, it is an altcoin. [14]

Bitcoin has many disadvantages that not only make it difficult to mine the coin but also prevent it from being a universal tool for all processes in the digital space [15]. Altcoins are developed, first of all, to solve the existing problems, or rather technical shortcomings, which are present in Bitcoin.

However, the goal of creating altcoins is not only to eliminate the shortcomings but also to achieve other goals, different from Bitcoin, for example: Ethereum, the world's first programmable blockchain, allows developers to create and deploy decentralized applications (Dapps) and smart contracts; IOTA cryptocurrency is designed to become a new level of data transmission and transaction calculations for the Internet of Things (IOTA) and the machine economy (machine-to-machine interaction or M2M). IOTA uses its proprietary distributed ledger technology, The Tangle. [7]

The appearance of new types of altcoins is not uncommon. The exact number of altcoins is unknown, and different sources present different figures.

According to Coinmarketcap, there are at least about 900 altcoins, the top ones by market capitalization include: Ethereum (ETH), Ripple (XRP), Bitcoin Cash (BCH), Litecoin (LTC), EOS.IO, Dogecoin, Zerocoin, and Anoncoin. [7]

2.7. Stablecoin

Based on the compound name, stablecoin is a type of altcoin (based on the compound word - coin), which are stable and have low volatility. But from a technical point of view, a stablecoin is a type of token [16]. This is the difficulty of positioning a stablecoin in the structure of cryptocurrencies.

Their value is tied to physical assets (such as gold, and oil) or secured by currency reserves (for example, the dollar). Stablecoins are needed in order not to withdraw fiat (traditional) money when trading on the exchange, because the exchanges take a commission, and because of this, all the profit from the trade can go to the commission of the exchange. The most popular solution is USDT or Tether. There is also a token from the Binance exchange called BUSD. [17]

In other words, we can say that stablecoins are altcoins, the exchange rate of which is guaranteed by something: either powerful fiat currencies (dollars, euros, etc.), commodity values (for example, gold), or other cryptocurrencies, to sharply reduce volatility prices The top stablecoins at the end of 2020 can be called Tether, Dai, USD Coin, and Paxos. But sometimes stablecoins are not secured by anything - for example,

the rate of Carbon and Havven coins is regulated due to additional emissions or burning of assets. [7]

Based on the analysis, stablecoins can be classified according to the type of security:

- backed by fiat money;
- secured by other cryptocurrencies;
- not provided with anything - only a protective emission mechanism (for example, Carbon and Havven).

2.8. Token

Cryptocurrencies are not coins, but rather signs. Below are the main differences between crypto coins (coins) and crypto tokens (tokens):

- tokens can be issued centrally and decentralized (cryptocurrency - only decentralized);
- verification of token transactions can be centralized and decentralized (cryptocurrency - only decentralized);
- the price of tokens can be affected by a very wide list of factors, in addition to supply and demand (issuance of additional tokens, linking to other assets), the price of cryptocurrencies is fully regulated by the market;
- tokens do not necessarily have to be launched on their blockchain, while cryptocurrencies always have their blockchain. [17]
- instead of mining, as usual with coins, tokens are immediately issued in a full issue. [16]

Digital assets that can be used within the ecosystem of this project. The main difference between tokens and coins is that the former requires a different blockchain platform to operate. Ethereum is the most widely used platform for token creation, mainly due to its smart contract feature. Tokens created on the Ethereum blockchain are commonly referred to as ERC-20 tokens, such as the industry's most popular Tether (USDT). Of course, there are other token platforms like NEO or Waves. The purpose of tokens is also different from that of coins, although they can also be used as a means of payment (so-called "currency tokens").[14]

The token is not a typical cryptocurrency, no blockchain is created for it. These are records in the register of transaction blocks (blockchain), another distributed information system, which certify that the owner of a digital sign (token) has rights to objects of civil rights. In simple words, tokens are a unit of account with the function of a substitute for financial assets (securities, indices, raw materials, gold, etc.) in the digital world. It's like a digital receipt from the creator of the token that he's committed to giving you something. Unlike bitcoin and altcoins, tokens are not able to work independently, so they are placed on top of the created crypto network (more often Ethereum and the bitcoin blockchain) and are managed through smart contracts. Access to tokens usually requires special software. [7]

Tokens can be classified into several types based on their purpose:

1. capital token, - securities (shares) of the company;
 2. service tokens - used by online platforms and can represent points, game currency, reputation, etc. Their main intention is to give the owner access to the project's functions, for example, with the help of the Basic Attention Token (BAT);
 3. tokens are secured by assets, - a kind of obligation regarding services or goods.;
- currency token, - as a means of payment; [9]
 - security token, initial coin offerings (ICO) - investment in the project;
 - DeFi token, - a new generation investment tool;
 - NFT token.

Defi tokens, in 2021 as a special interest of investors - to projects in the field of decentralized finance (Defi), in fact, these are exchanges, wallets, applications, lending services, opening deposits, etc. Decentralized finance is when developers do not have access to the funds of their users, and the latter can trade their cryptocurrency directly from their "cold wallet". [7]

NFT tokens, this is how non-fungible tokens are designated. They were created to transfer ownership of unique assets to the blockchain. For example, antiques, works of art, 3-d models, game items, and more. Each token is unique and cannot be exchanged for another. NFTs deserve special popularity in the community of collectors. [16]

Decentralized financial services (Decentralized Finance) are not separate cryptocurrencies, but complex platforms that can combine various types of digital assets and their functions. Some experts believe that such projects will revive the segment of cryptocurrencies. The main feature of such services is that their users can provide and receive various services directly, without the involvement of intermediaries. At the same time, all calculations are carried out in a reliable decentralized network. One example is Ethmakerdao, a decentralized lending protocol. Its main task is to become a more convenient and reliable alternative to banking services. [16]

The exact number of tokens is not known, and different sources present different data about their number.

According to Coinmarketcap data, there are at least 1,496 tokens deployed on blockchain platforms of 24 cryptocurrencies. Among the top tokens by market capitalization are Tether, UNUS SED LEO, Chainlink, Huobi Token, and Maker. All of them, except the leader Tether, are deployed on the Ethereum blockchain.

As of early 2022, Tokensniffer, a service for tracking fraudulent coins, has identified a total of 1,210,508 tokens, more than 82,000 of which were fraudulent. Tokensniffer scans different blockchains to detect all new tokens. According to Coingecko representatives, there are more than 500,000 crypto tokens in total. However, most of them are deprecated or simply spam. Therefore, they do not need to be tracked. Developers have added more than 50 tokens to the Listingspy site in the last 15 days (beginning of 2022). [12]

3. Conclusions

The structure of the entire known variety of elements of digital technologies, which are more reflected in the financial sector of the economy, has been formed, based on their characteristic features, and which have the common, well-known name "cryptocurrency". When researching, all known varieties were referred to as digital financial technologies (DFT). In summary, the results of the study are presented graphically in Figure 1.

A place in such a formed structure, the new Ukrainian legal definition of "virtual assets" (paragraph 1 of paragraph 1 of article 1 of Law 2074), which appeared in the Ukrainian legal field thanks to the adoption of the Law of Ukraine "On Virtual Assets", on in the opinion of the author, based on the assigned function and the characteristics inherent in them, there is a structural field in Figure 1 "cryptocurrency", which is included in the circle of "virtual currencies", and that, in turn, in the circle of "digital currencies":

- an unsecured virtual asset (paragraph 2 of paragraph 1 of article 1 of Law 2074) is an expression of the altcoin or token type;
 - secured virtual asset (paragraph 3 of paragraph 1 of article 1 of Law 2074) – is an expression of the stablecoin type;
 - financial virtual asset (paragraph 6 of article 4 of Law 2074), as a type of secured virtual asset - is a type of stablecoin, which is secured either by currency values or financial instruments;
 - non-financial virtual asset (paragraph 5 of article 4 of Law 2074), as a type of secured virtual asset, is a type of stablecoin that is secured by something else (for example, goods, property) than currency values or financial instruments;
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